

# **CITY OF SUNNYVALE**

**Community Development Department**

## **DRAFT 2005 – 2010 CONSOLIDATED PLAN AMENDMENT**

**Public Review Period March 28, 2007 – April 27, 2007**

## **Draft 2005–2010 Consolidated Plan Amendment**

The Consolidated Plan is the document submitted to the U.S. Department of Housing and Urban Development (HUD) that serves as a comprehensive housing affordability strategy, community development plan, and submission for funding under the Community Development Block Grant (CDBG) program. The City of Sunnyvale is amending its adopted Consolidated Plan for the period July 1, 2005 to June 30, 2010 to comply with the following new HUD regulations effective March 13, 2006:

- 24 CFR Parts 91 and 570 “Consolidated Plan Revisions and Updates; Final Rule” published in the Federal Register, Volume 71, Number 27, on February 9, 2006; and
- The “Notice of Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs”, Federal Register, Volume 71, Number 44, published on March 7, 2006.

### **Summary of Changes**

This amendment incorporates the following changes, dictated by the new regulations, into the adopted Consolidated Plan in accordance with HUD requirements:

- Executive Summary – the addition of an Executive Summary at the beginning of the document that includes a summary of objectives, expected outcomes and an evaluation of past performance.
- Vacant and Abandoned Buildings – the addition of a description of abandoned buildings into the Housing Market Conditions.
- Chronic Homelessness – an addition to the Homeless Strategy of an assessment of the needs and resources available for the chronically homeless subpopulation.
- Resources – a description of the resources expected to be available, including the addition of competitive McKinney-Vento homeless Assistance Act funds.
- Outcome Performance Measurement System – the identification of objective and outcome categories for each identified goal in the strategic plan.
- Strategic Plan/Relative Allocation Priorities – a description of the rationale for establishing allocation priorities as they relate to priority needs in the Strategic Plan.
- Citizen Participation – addition the Citizens Participation Plan and alternative public involvement techniques.

### **Executive Summary (Add to Section 1.1)**

The City of Sunnyvale’s Consolidated Plan is a five-year strategy for the use of federal funds to address the housing and non-housing community development needs of lower-income residents. Nine specific strategic goals are identified in the plan. The City intends to provide funding for various activities, which are consistent with the adopted goals of the Consolidated Plan. Due to the high cost of housing in Sunnyvale, the primary objectives for the period are to increase, preserve and sustain the supply of housing affordable to residents with incomes at or below the area median. Additionally, a primary focus of the strategy is the provision of a supportive network of social services

responsive to the needs of those most vulnerable in the community, such as the frail elderly, persons with disabilities, persons who are homeless, or at-risk of becoming homeless. The three priority strategies that will guide the City's allocation of federal funds over the term of the Plan are as follows:

***Strategy # 1 Increase the Affordable Housing Stock***

*Goal:* *Provide Decent Affordable Housing*

*Objective:* *Increase the supply of new affordable units*

*Outcome:* *Availability for the purpose of providing decent affordable housing*

*Performance Measure Indicator:* *645 units will be created*

***Strategy # 2 Preserve the Existing Affordable Housing Stock***

*Goal:* *Provide Decent Affordable Housing*

*Objective:* *Conserve the condition of existing units of affordable rental housing*

*Outcome:* *Sustainability for the purpose of providing decent affordable housing*

*Performance Measure Indicator:* *357 existing rental units will be sustained*

***Strategy # 3 Provide Supportive Social Services***

*Goal:* *Create a Suitable Living Environment*

*Objective:* *Provide a range of supportive social services programs that directly address the basic human needs of the most vulnerable populations including persons who are homeless, the elderly, and persons with disabilities*

*Outcome:* *Availability/Accessibility for the purpose of creating a suitable living environment*

*Performance Measure Indicator:* *7,245 persons will have improved availability or accessibility to a suitable living environment*

**Evaluation of Past Performance**

The City has historically allocated CDBG funds to activities that benefit low and moderate income persons, with the top priority being increasing affordable housing opportunities. The City has contributed to the purchase, preservation and/or rehabilitation of existing units as well as development of new units to increase or improve the affordable housing stock.

The Housing Rehabilitation program has assisted low-income homeowners every year and in FY04/06, completed rehabilitation or removed architectural barriers for persons with disabilities in 25 homes. Public facilities projects include 50 sidewalk curb cuts for persons with disabilities, 3,973 linear feet of sewer line improvements, and rehabilitation of facilities serving the homeless.

The City has consistently used its federal resources to address the needs of its most vulnerable residents, including those who are chronically homeless. CDBG funds, along with the City's general funds, have been used to support a local social service network that provides basic human services to those in need. The City has consistently spent the maximum allowable (15 percent) of its grant and program income on eligible public service activities. In FY05/06, 9,480 persons were assisted through programs offering nutrition and support services for the elderly and disabled, emergency and transition shelter for the homeless, day care for adults with Alzheimer's, counseling for youth and

families, shelter and support for battered persons, and emergency assistance for low-income and at-risk homeless.

### **Vacant and Abandoned Buildings (Add to Section 3.4)**

Due to the high cost of land in Sunnyvale, there are few vacant or abandoned buildings or sites. There is little information about the exact number or location of these sites. The few that do exist are primarily under private ownership and are either being held off the market by the owner, or are in the process of being rehabilitated or redeveloped. Area non-profit housing developers are encouraged to pursue any feasible building or site, including vacant and abandoned ones, as a potential affordable housing project. The City is facilitating development of affordable housing on vacant property at Highway 37/157. The City is engaged in planning the reuse of the buildings and land soon to be vacated as a result of the closure of the Onizuka Air Force Base.

### **Chronically Homeless (Add to Section 3.8)**

A chronically homeless person is defined by HUD as an unaccompanied homeless individual with a disabling condition who has been continuously homeless for a year or more, or had at least four episodes of homelessness in the past three years; sleeping in a place not meant for human habitation (e.g. living on the streets) and/or in an emergency shelter. Based on the County's 2004 Continuum of Care application, there are approximately 931 chronically homeless persons in Santa Clara County. Of the total number, approximately one-fifth, or 186 chronically homeless individuals, reside in emergency shelters. There are an estimated eight chronically homeless persons in Sunnyvale. Serious mental illness, chronic health conditions, physical disabilities and substance abuse disorders are all high risk factors for chronic homelessness.

Recognizing that homelessness is a regional issue, the City of Sunnyvale actively participates in the Santa Clara County Homeless Collaborative. The Santa Clara County Homeless Collaborative has adopted a Continuum of Care approach to helping individuals and families avoid becoming homeless, move from emergency shelter to permanent housing, and to end chronic homelessness. For the chronically homeless, the primary point of entry to the County's Continuum of Care system is often through outreach which actively targets homeless people on the streets or in encampments.

Outreach programs in Santa Clara County that are targeted to the chronically homeless include: Alliance for Community Care, InnVision the Way Home, and Emergency Housing Consortium. The Emergency Housing Consortium's new "Off the Streets Project" targets chronically homeless individuals who are addicted to alcohol. The program provides 26 units of permanent housing that focus specifically on the housing and supportive service needs of chronically homeless people.

The City of Sunnyvale also participates in a North County Shelter plus Care Program to place chronically homeless individuals in subsidized permanent housing with supportive services. The Santa Clara County Housing Authority has set aside 100 Section 8 vouchers for chronically homeless adults. The Catholic Charities Housing Search program is

partnering with the Housing Authority to help program participants locate and secure housing.

Although there are no permanent homeless shelters in Sunnyvale, Cupertino Community Services does operate a rotating church shelter program within the City. The shelter operates 365 days per year, rotating each month from one sponsoring church to another. It provides nightly shelter, meals, and outreach services for up to twenty-five homeless and chronically homeless individuals each night. During winter months, EHC Lifebuilders operates a temporary emergency shelter at the Sunnyvale Armory building. Sunnyvale Community Services offers food and support services with linkages to other agencies in order to help clients break the cycle of homelessness and poverty.

### **Resources Available (Add to Section 4.2)**

The City of Sunnyvale encourages local non-profit housing and public service agencies to pursue all available public and private funding sources in order to achieve the goals of the Consolidated Plan. Most projects and activities secure funding from a variety of sources including private donations, charitable foundations, and church and community fundraising to leverage federal, state and local funding. The following funding sources are additions to Table 4-1, "Public and Private Resources Available for Housing and Community Development Activities."

#### State of California's Multifamily Housing Program (MHP)

The purpose of this program is to provide low-interest loans to developers of affordable housing. The MHP General funds may be used for multifamily rental and transitional housing projects involving new construction, rehabilitation, or conversion of nonresidential structures. MHP Supportive Housing funds may be used for multifamily rental housing projects involving new construction, rehabilitation, acquisition and rehabilitation, or conversion of nonresidential structures for permanent rental housing.

#### Santa Clara County Affordable Housing Fund (AHF)

The Santa Clara County Board of Supervisors established the Affordable Housing Fund with initial funding of \$18.6 million in July 2002. The main purpose of the AHF was to assist in the development of affordable housing especially for extremely low income and special needs people throughout Santa Clara County

#### McKinney-Vento Homeless Assistance

Each year between 35 and 40 non-profits in Santa Clara County receive approximately \$9 million for programs assisting the homeless. These funds benefit programs on a countywide basis.

### **Outcome Performance Measurement System (Add to Section 4.3)**

The purpose of HUD's new performance measurement system is to provide a framework to better capture, measure and monitor CDBG program results so that program effectiveness can be clearly demonstrated at both the local and national levels. The new performance measurement structure requires that objectives, outcomes and indicators be linked to the strategies in the Consolidated Plan, to the proposed activities in the Annual

Action Plan and to the accomplishments reported in the Consolidated Annual Performance and Evaluation Report (CAPER). This system will help quantify and measure program outcomes in order to determine how well programs and activities are meeting established needs and goals of the Consolidated Plan.

All activities must meet one of three national *objectives*:

- Create a suitable living environment
- Provide decent housing
- Create economic opportunities

Once an objective is selected, an *outcome* must be identified:

- Availability/Accessibility
- Affordability
- Sustainability

Finally, specific performance *indicators* must be reported, such as:

- Number of rental units constructed
- Number of rental units rehabilitated
- Number of persons assisted with new access to a public service
- Number of households who received assistance to prevent homelessness

The following chart identifies specific objectives, outcomes and indicators for the nine goals in the strategic plan section of the adopted Consolidated Plan.

### STRATEGIC PLAN OBJECTIVES

GOAL	STATEMENT OF STRATEGIC GOAL	NATIONAL OBJECTIVE	OUTCOME MEASURE	PERFORMANCE INDICATOR
A	Expand the supply of affordable housing	Provide decent affordable housing	Affordability for the purpose of providing decent affordable housing	645 Units
B	Preserve the existing supply of affordable housing – “at risk” units	Provide decent affordable housing	Sustainability for the purpose of providing decent affordable housing	299 Units
C	Provide rental assistance to very low and extremely low-income households	Provide decent affordable housing	Affordability for the purpose of providing decent affordable housing	747 Units
D	Provide supportive services in combination with special needs housing	Provide decent affordable housing	Accessibility for the purpose of providing decent affordable housing	7,245 Households
E	Provide Housing and Supportive Services for Persons with	Provide decent affordable	Availability for the purpose of providing	25 Persons

	HIV/AIDS	housing	decent affordable housing	
F	Support Equal Housing Opportunity for All	Provide decent affordable housing	Sustainability for the purpose of providing decent affordable housing	750 Households
G	Provide shelter, housing and supportive services to homeless individuals and families	Provide decent affordable housing	Availability for the purpose of providing decent affordable housing	262 households
H	To support special needs individuals to live independently and productively	Create a suitable living environment	Accessibility for the purpose of a suitable living environment	2,640 persons
I	To improve neighborhoods and increase accessibility for persons with disabilities	Create a suitable living environment	Accessibility for the purpose of a suitable living environment	275 sidewalk segments

**(Strategic Plan/Allocation Priorities (Add to Section 4.3))**

The City intends to allocate its annual formula grant funds to the highest priority needs identified in this plan, contingent upon the application, eligibility and readiness of local projects applying for funding. New federal regulatory standards relating to the timely expenditure of CDBG funds require that no more than 1.5 times a jurisdiction's annual entitlement grant amount (plus program income) may remain in the letter of credit 60 days prior to the end of the program year. HUD now employs monetary sanctions against jurisdictions that exceed the regulatory standard. Failure to meet the expenditure standard will cause HUD to reduce the City's CDBG grant by 100% of the amount in excess of 1.5 times the annual grant.

Unfortunately, the stricter enforcement of the expenditure standard increases the difficulty in providing funds for affordable housing, the highest identified priority need. Projects that create affordable housing typically take longer and are subject to more delays than other capital projects due to inherent complexities in zoning, planning, financing, etc. This may create situations where lower priority activities will be undertaken instead of higher priority activities simply because they are easier to accomplish and ready to proceed.

The 2005-2010 Consolidated Plan did not establish separate goals for housing production in the three HUD income categories due to the difficulty in predicting future projects with that level of specificity. The ability to meet income-specific goals is dictated by a project's funding source, and each funding source has its own income targeting requirements. However, since the new regulations require that this information be provided, the following chart (HUD Table 2A) has been revised to specify a goal in each of the three income categories. The highlighted portion divides the unit goal numbers by income category. The numbers in each income category are assigned by the relative level of priority need. The City will, however, actively pursue housing units in any of the HUD income categories, depending on the funding source and project presented.

### Priority Housing Needs – Renter

Households	Income % of Median	Priority Level	Need	Unit Goals	Unit Goals
Small Related	0-30%	High	860	110	230
	31-50%	Medium	1126	70	
	51-80%	Low	781	50	
Large Related	0-30%	High	199	90	190
	31-50%	Medium	375	60	
	51-80%	Low	395	40	
Elderly	0-30%	High	606	60	125
	31-50%	Medium	394	40	
	51-80%	Low	160	25	
All Other	0-30%	High	697	55	130
	31-50%	Medium	790	40	
	51-80%	Low	789	35	

### Priority Housing Needs – Owner

Households	Income % of Median	Priority Level	Need	Unit Goals	Units Goals
Small Related	0-30%	High	230	70	200
	31-50%	High	281	70	
	51-80%	High	405	60	
Large Related	0-30%	High	75	50	140
	31-50%	High	81	50	
	51-80%	High	119	40	
Elderly	0-30%	High	915	20	50
	31-50%	High	391	20	
	51-80%	High	216	10	
All Other	0-30%	High	159	20	50
	31-50%	High	134	20	
	51-80%	High	201	10	

### Consultation and Citizen Participation

#### (Add to Appendix A-B.1 - the Citizens Participation Plan)

The City of Sunnyvale encouraged the participation of local and regional institutions and other organizations (including businesses, developers, and community and faith-based organizations) in the process of developing and implementing the consolidated plan, and consulted with public and private agencies that provide assisted housing, health services, and social and fair housing services while preparing the plan. The City will explore and track alternative public involvement techniques such as the use of the internet to encourage and increase citizen participation in the future.